



Sussex County's Fiscal Year 2013 Budget



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Council Presentation

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Budget Objectives

Sustainability

- Maintain AA+ bond rating
- Minimize increases in operating costs
- Support the priorities of long-range and operational plans

Modernization

- Update County's virtual interface
- Promote staff training
- Use new technology to increase public's safety

Efficiency

- Provide a greater level of service with fewer staff
- Support automation of business practices
- Streamline processes

2013 Budget

HIGHLIGHTS

- Property tax decrease due to a tax rebate credit from fiscal year 2011
 - Average County tax for single-family home - \$98.34 or \$0.27 per day
 - Average County tax for a manufactured home - \$37.18 or \$0.10 per day
- Reduced staffing levels – 6.5 less positions
- .18% General Fund Budget increase (CPI is 2.7%)
- Major cost driver – pension contribution of 23.67% of gross salaries, \$900,000 increase
- Decrease in sewer assessment charges due to bond refinancing
- Continue to fund critical public safety grants
 - Fire and Ambulance services – \$3.3 million
 - Local Law Enforcement - \$562,500
 - State Police – \$1.7 million
- Total library funding – \$4.2 million
- Aggressive governmental capital plan without general fund debt - \$13.2 million
 - 41.9% for airport projects
 - 23.9% for library projects

Personnel

HIGHLIGHTS

- COLA – 2.25% for staff; 1.125% for pensioners
- Merit increases
- Defined pension contribution - 14.27%
- Defined pension benefit contribution - 9.40%
- No change in health insurance contributions and coverage
- Continue health insurance opt-out incentives
- Continue dental, vision, and tuition reimbursements
- 13 paid holidays with 2 floating holidays
- Policy change for donated leave – 1 day for 1 day
- Review pension plan changes to begin January 2013
- Down 6.5 positions from last year's budget

Total Budget

Expenditures	Fiscal 2012	Fiscal 2013	Percentage Change
General Fund*	\$46,307,991	\$46,392,059	.18%
Capital Projects Governmental Fund	8,675,000	13,247,485	52.71%
Enterprise Funds	33,945,393	34,957,776	2.98%
Capital Projects Enterprise Fund	47,664,831	21,219,521	(55.48%)
Fiduciary Funds*	4,255,786	5,330,720	22.71%
Total	\$140,849,001	\$121,147,561	(14.04%)

* FY2012 was restated to reflect the separation of the fiduciary fund and the Community Development Grant being added to the General Fund. This restatement aligns our budget with the way the CAFR is presented.

General Fund



Fiscal Year 2013 Budget

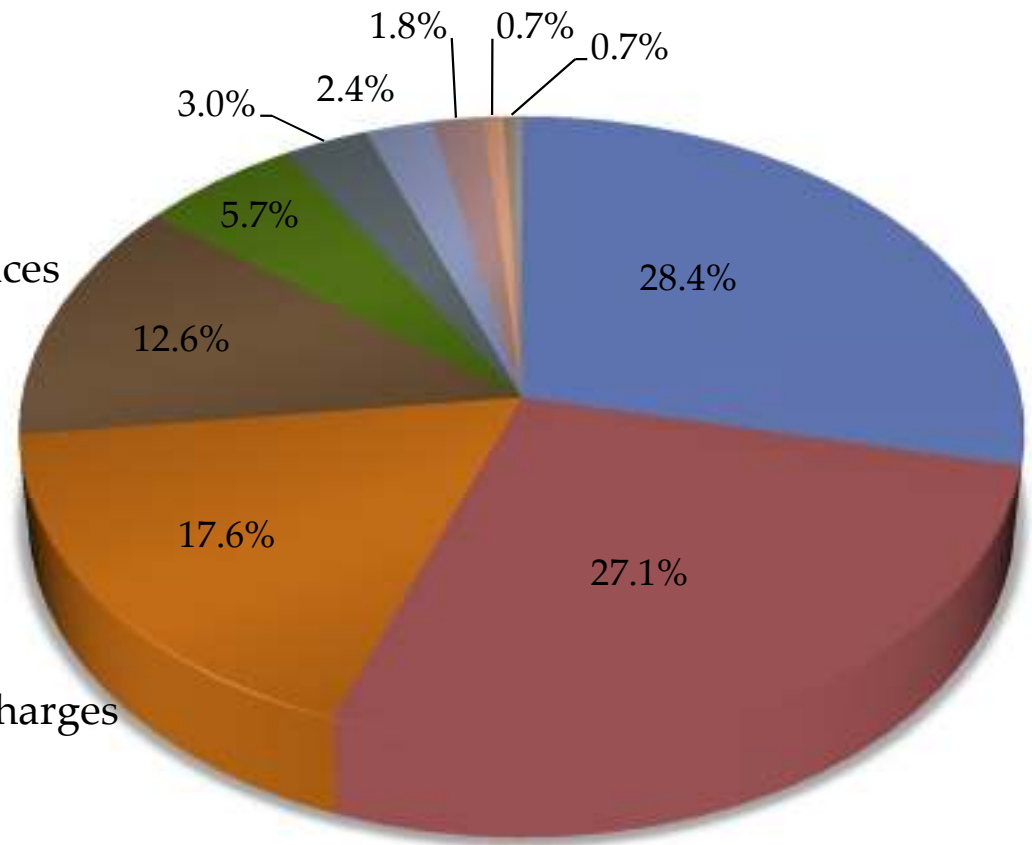
General Fund

HIGHLIGHTS

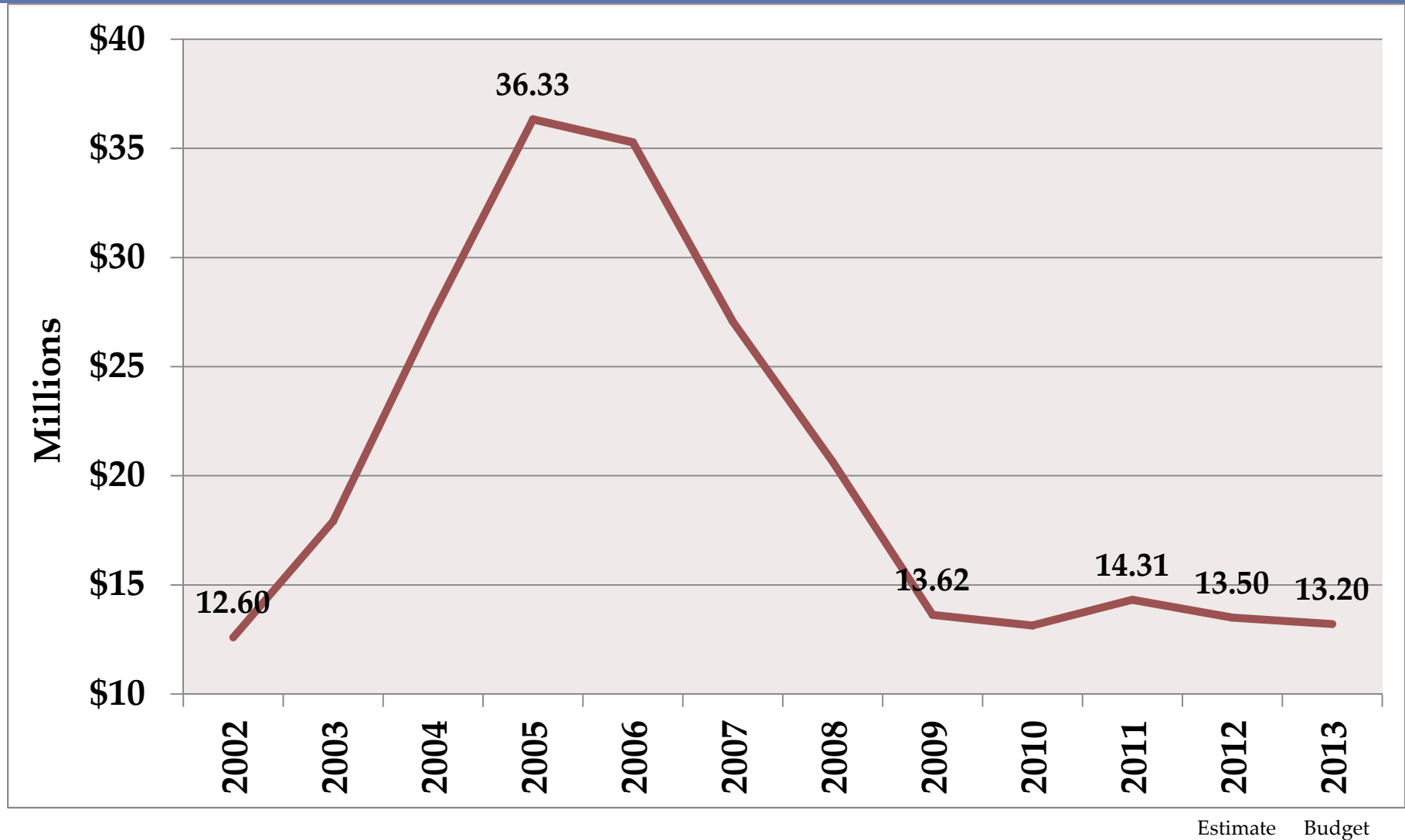
- Total operating budget increased .18% or \$84,000
- No fee increases
- Taxable assessments increased 1.39%
- Intergovernmental grants decreased 14.02%
- Overall revenues have leveled
 - Building permit and zoning fees are up while Recorder of Deeds and building inspections are slightly down from last year's budget
 - Investment income continues to lag

General Fund Funding Sources

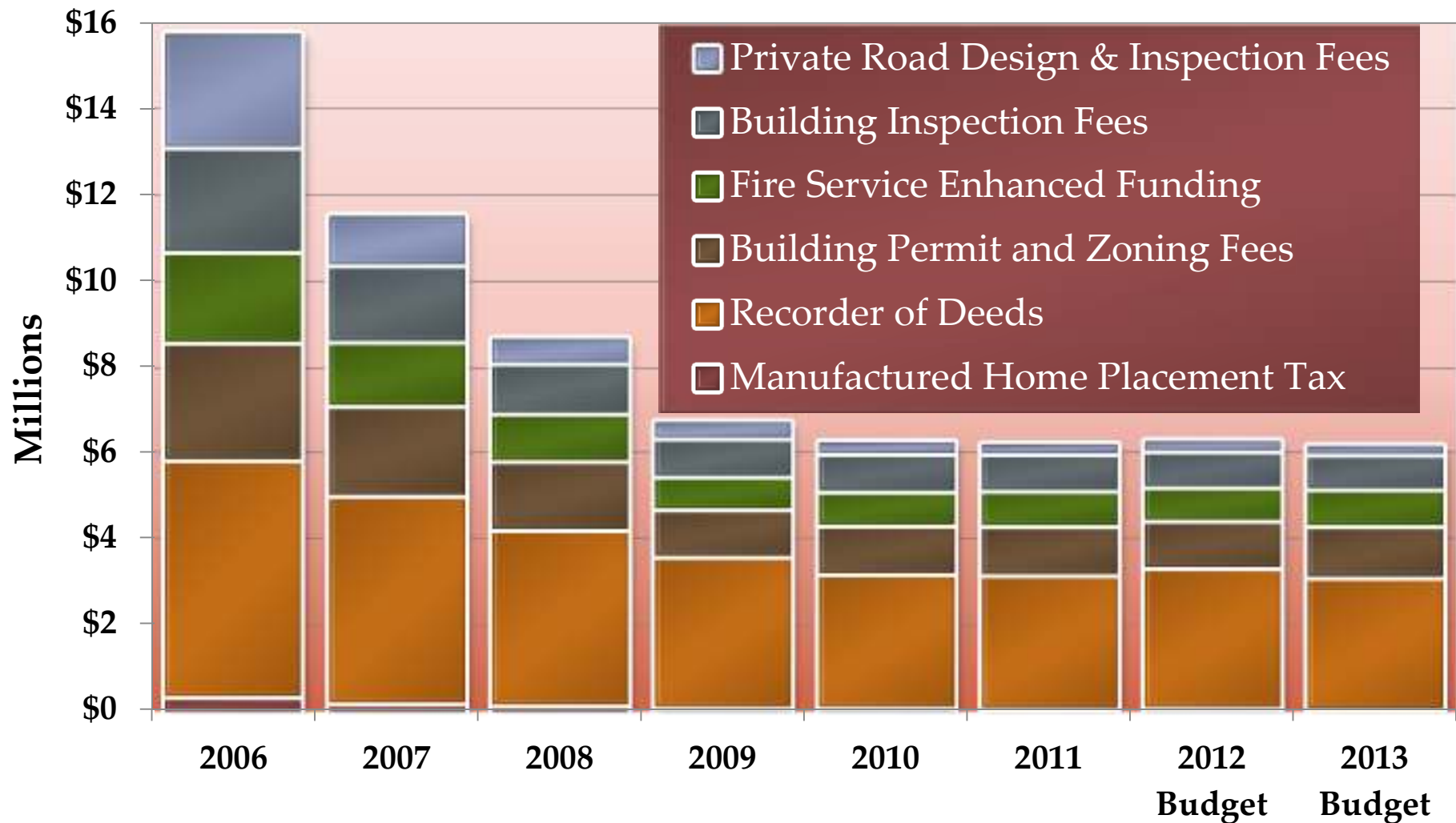
- Realty Transfer Tax
- Property Taxes
- Charges for Services - Constitutional Offices
- Intergovernmental Grants
- General Government Fees
- Appropriated Reserves
- General Government Services & Other Charges
- Fire - Enhancement Fee
- Water & Sewer Repayments
- Investment Income



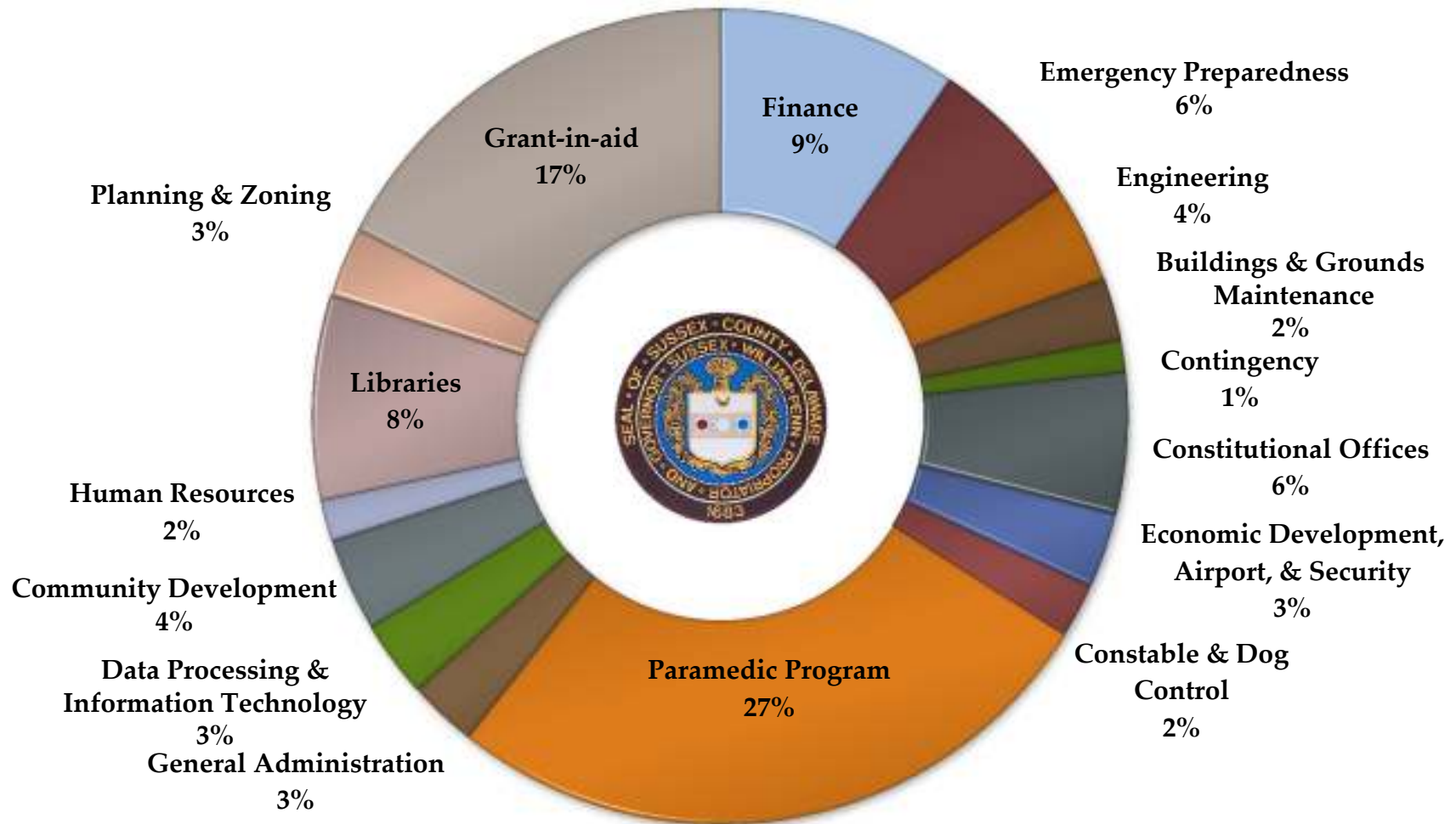
Realty Transfer Tax



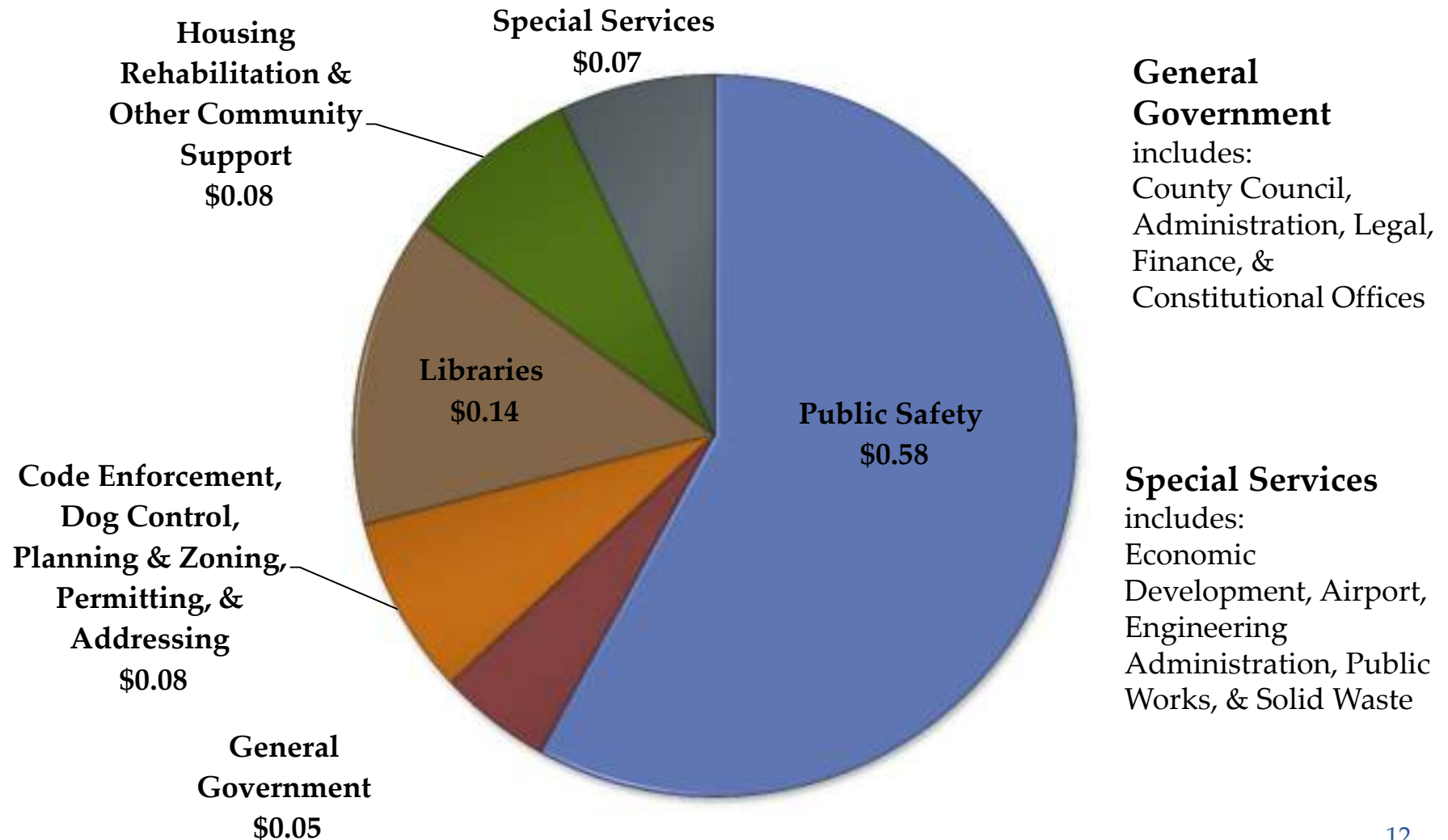
Housing Related Revenues



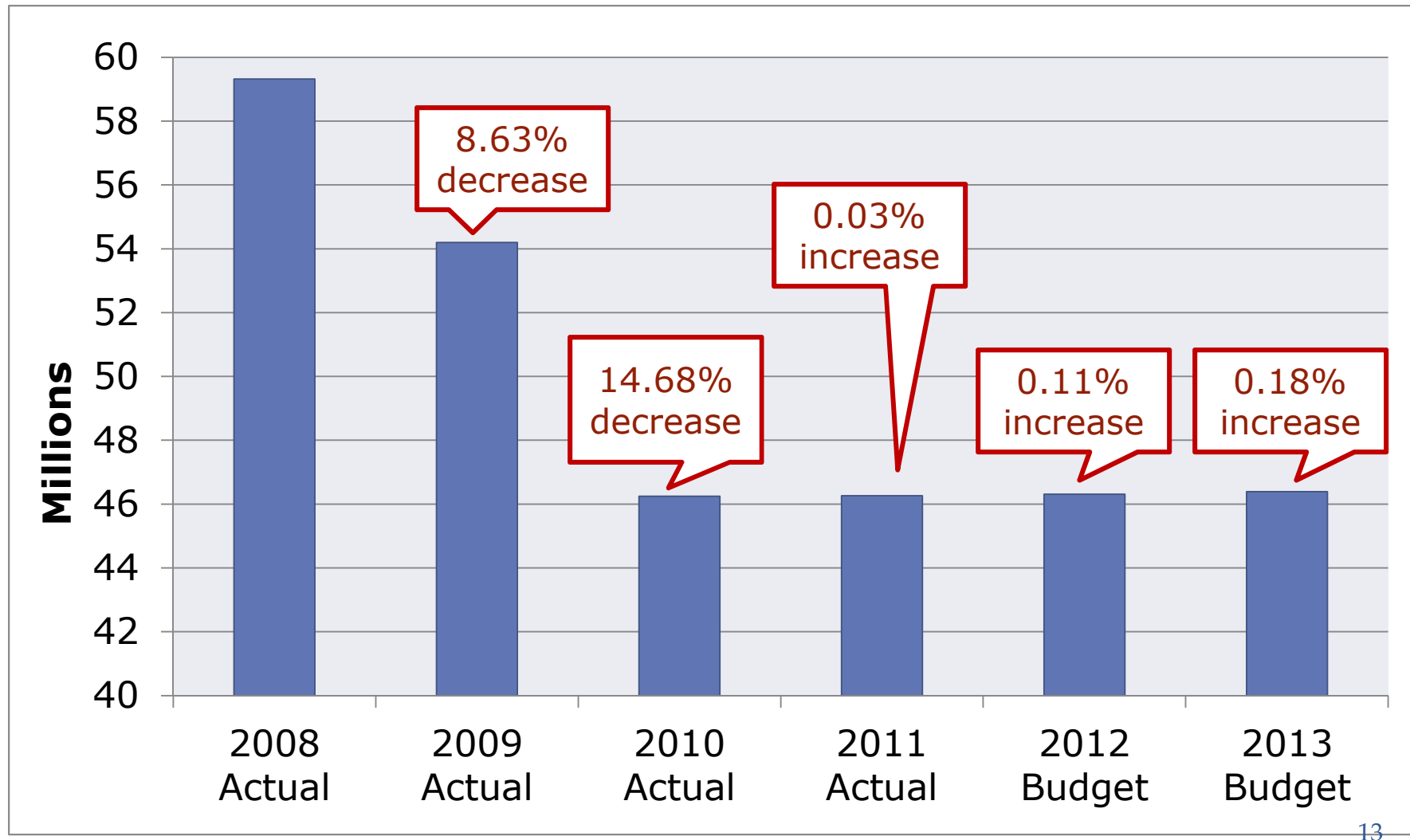
General Fund Expenditures



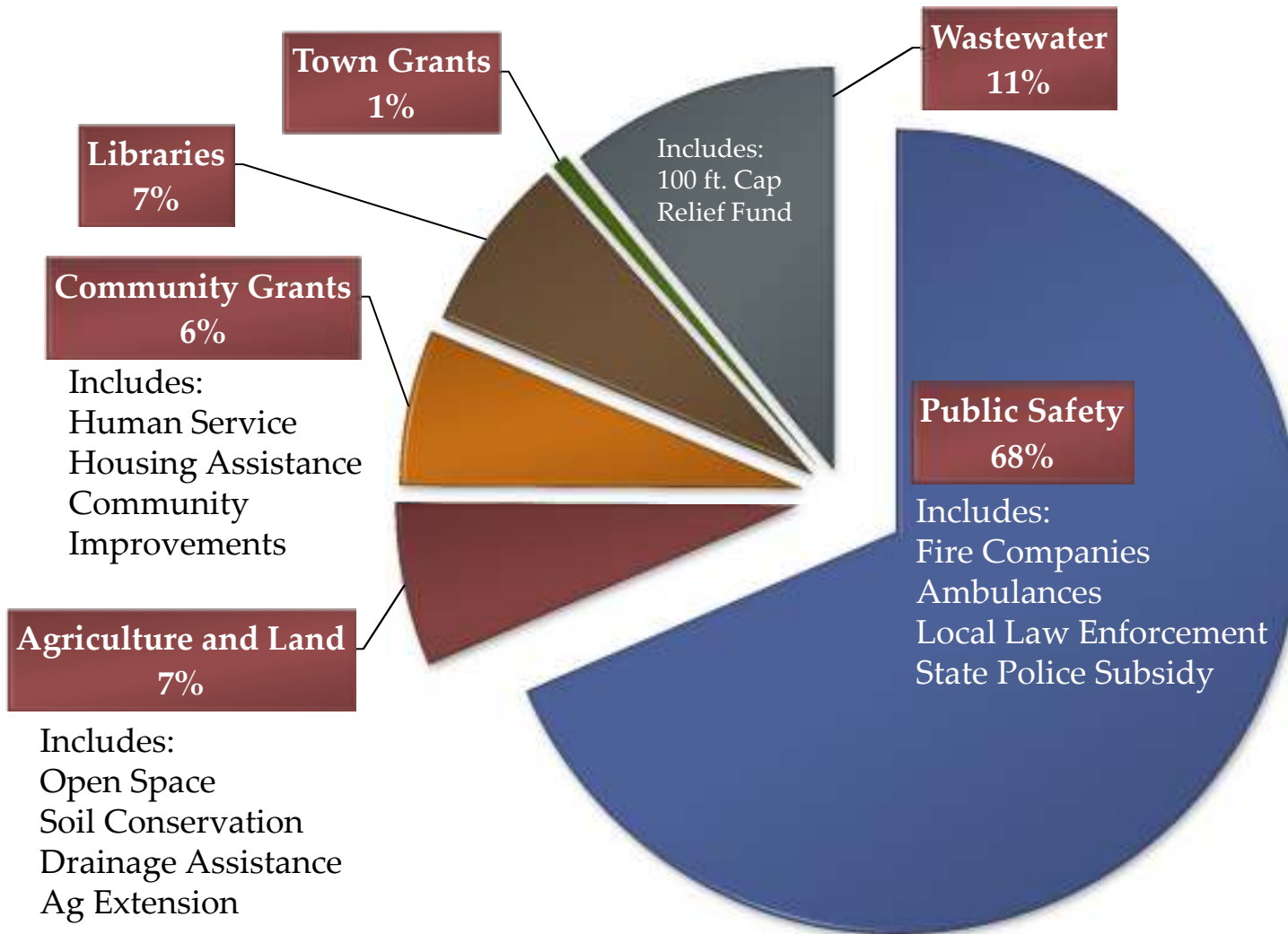
County Tax \$ Breakdown



Operating Expenditures



Grants



Public Safety

Paramedics



- Demand for services has increased 15% in the last 10 years
- FY2013 Objectives:
 - Continue to be a nationally recognized leader in mobile healthcare services
 - Provide staff and support for 8 full-time and 1 seasonal paramedic units
 - Provide comprehensive training and education for staff

2012 Budget	2013 Budget
\$12,200,000	\$12,400,000

Emergency Preparedness

- 911 calls have increased 35% in the last 10 years
- FY2013 Objectives:
 - Administer the Sussex County's Emergency Operation Plan
 - Work with school districts to enhance shelter operations
 - Update audio visual system to better support meetings and EOC activations

2012 Budget	2013 Budget
\$2,600,000	\$2,800,000



Public Safety



Fire and Ambulance Service

- Carry on a strong relationship to support our volunteer fire companies
- Continue to provide \$3.3 million in grants to the fire and ambulance services

2012 Budget	2013 Budget
\$3,300,000	\$3,300,000

Law Enforcement

- Fund 40 additional state troopers
- Increase funding to local law enforcement – \$25,000 per town and \$12,500 for towns without local police

2012 Budget	2013 Budget
\$2,200,000	\$2,300,000



Community Development



FUNDING

- CDBG – \$880,000
- HUD HOME Program – \$120,000
- Delaware State Housing Loan – \$121,800
- County Council Emergency Grant Assistance – \$70,000
- Neighborhood Stabilization Program - \$405,000

Serve approximately 100 Sussex County Households

- All assisted households - income below 80% of AMI
- Half of the assisted homes - income below 50% of AMI

Capital Projects



Fiscal Year 2013 Budget

Governmental Capital Projects



Airport

- Runway 4-22 extension
- Stormwater Improvements
- Lighting and Pavement Improvements
- Guard Station

2013 Budget

\$5,550,900

County Public Safety Buildings

- Emergency Services – Station 106
- Emergency Communications Building
- Emergency Operations Center - HVAC

2013 Budget

\$2,062,500



Governmental Capital Projects



Libraries

- Greenwood Library Expansion
- Milton Library Improvements
- South Coastal Library Improvements

2013 Budget

\$3,169,600



County Building Improvements

- County Administration Building
- Records Management Building
- West Complex

2013 Budget

\$674,000



Other Projects

- Enterprise Resource Planning Software
- Property Acquisition
- Woodland Park Improvements

2013 Budget

\$1,790,000

Enterprise Capital Projects

REVENUE	Water & Sewer Fees	\$	8,743,521
	Federal Grants	\$	5,150,000
	Federal and State Bonds	\$	7,326,000
	Total	\$	21,219,521
EXPENSES	SCRWF – Pump Station 30	\$	7,000,000
	Marsh Island/Joy Beach Sewer	\$	2,400,000
	IBRWF Expansion 1 and 2A	\$	2,300,000
	West Rehoboth – Pump Station 207	\$	2,000,000
	Millville Sewer Expansion	\$	1,700,000
	Angola Sewer District & North Expansion	\$	1,516,000
	Route 26 – Phase III	\$	1,500,000
	Herring Creek Water & Sewer District	\$	830,000
	Oak Orchard Expansion	\$	600,000
	Dewey/Henlopen Treatment Contribution	\$	500,000
	Long Neck Branch & Autumn Roads Sewer	\$	477,521
	Concord Road Expansion	\$	396,000
	Total	\$	21,219,521

5-Year Capital Projects

General Fund		Water & Sewer		Grants		Bonds		Total	
2013	\$6.69	2013	\$8.74	2013	\$11.71	2013	\$7.33	2013	\$34.47
2014	2.52	2014	7.37	2014	6.40	2014	15.08	2014	31.37
2015	3.35	2015	5.44	2015	11.17	2015	13.02	2015	32.98
2016	10.10	2016	8.60	2016	1.56	2016	10.41	2016	30.67
2017	9.63	2017	10.00	2017	-	2017	16.34	2017	35.97
Total	\$32.29	Total	\$40.15	Total	\$30.84	Total	\$62.18	Total	\$165.46

Non-Water & Sewer Capital Projects	\$56,766,985
Water & Sewer Capital Projects	\$108,687,313
Total 5-Year Capital Improvements Funding	\$165,454,298

Enterprise Funds



Fiscal Year 2013 Budget

Enterprise Funds

HIGHLIGHTS

- Service Charges – continue to work toward a uniform sewer rate
- Decrease in assessment rates due to bond refinancing
- 3% increase in EDUs
- 3% increase in 2013 operating budget
- 56% decrease in capital projects
- System connection charges – 2.7% increase for inflation
- Continue 100 ft Cap
- Rate Study

Expense Summary

- Administrative and General Expenses increased 12.56%, \$485,460
 - Sewer Studies – 50% reimbursed by the State
 - Cost allocation
- Operations Expenses increased 1.33%, \$52,321
 - TLS communication lines
 - Electrical safety program
 - Increase in water costs from City of Rehoboth
- Maintenance Expenses increased 0.47%, \$30,592
- Capital Expense increased 20.95%, \$577,761
 - Pumping equipment - \$1,200,000
 - By-pass pump - \$384,000
 - Vacon truck - \$380,000
 - Generators - \$119,000
- Utility Billing decreased 5.06%, \$44,999

Assessment Charges

- Charges used to recover the cost for bond payments, system improvements and maintenance costs
- Districts where rates decreased from bond debt
 - Bethany Sewer - Cedar Neck
 - Bethany Sewer - North Bethany
 - Bethany Sewer - Ocean Way Estates
 - Bethany Sewer - Proper
 - Bethany Sewer - Sussex Shores
 - Blades Sewer
 - Dagsboro/Frankford Sewer
 - Dagsboro/Frankford Sewer – Prince Georges Acres
 - Dewey Sewer – Proper
 - Dewey Sewer – West Rehoboth
 - Ellendale Sewer
 - Ellendale Sewer – New Market
 - Fenwick Sewer
 - Golf Village
 - Henlopen Sewer
 - Long Neck Sewer
 - Oak Orchard Sewer
 - Sea Country Estates Sewer
 - South Bethany Sewer
 - Woodlands of Millsboro

Service Charges

- Sewer Service Charge
 - Most Districts increased \$8.00 – Uniform Rate is \$262.00
 - Angola
 - Bayview Estates
 - Bethany
 - Ellendale
 - Holt's Landing
 - Johnson's Corner
 - Miller Creek
 - Oak Orchard
 - Sea Country
 - South Bethany
 - South Ocean View
 - Dagsboro/Frankford sewer district increased less than \$8.00 to become part of the unified sewer charge
 - Long Neck increased \$15.00
 - Districts that did not change
 - Blades
 - Dewey Sewer
 - Henlopen Acres
 - West Rehoboth
 - Woodlands of Millsboro
- Dewey Water service charge increased \$13 to cover increase in cost of water purchase from City of Rehoboth